How is your organisation doing?

A guide for the assessment of organisational capacity

Research team

Elize van Zyl (Project Leader)
Linda Albertyn
Elsjé Hall

Technical support staff

Bessie Fouché
Lettie Tocknell

Group for Human Resources
Human Resources Information and Planning

HSRC
134 Pretorius Street
Pretoria 0002
SOUTH AFRICA

HSRC - RGN

ACKNOWLEDGEMENTS

What this guide is all about

This guide is an instrument for non-governmental organisations (NGOs). The main purpose of the guide is to provide NGOs with a framework for the systematic evaluation of their organisational processes, structures, systems and skills. It is designed to help them to identify and understand their strengths and weaknesses and to enable them to develop strategies to improve their organisations' capacity.

The development of the guide

The development of this guide was commissioned by the United States Agency for International Development (USAID). USAID South Africa is the US Government agency responsible for development assistance in South Africa. Their goal is to assist government and non-governmental institutions in South Africa to promote the political, social and economic empowerment of the disadvantaged majority population.

Like many other donor agencies, USAID is concerned not only with the impact they are making through the funding of projects, but also with the institutional capacity that is created in the recipient organisations (i.e. their ability to sustain their activities, to reach their objectives and to prosper and grow). In fact, a key measure of the performance of the USAID/SA programme is its effect on the functioning of the NGOs that receive funding.

USAID/SA commissioned the development of the guide with two objectives in mind. Firstly they wanted to obtain baseline information (including their development objectives) on those organisations that apply for funding for **organisational capacity buil-ding.** (The aim was not to use the instrument to evaluate organisations that apply for the funding of projects.) Secondly they wanted to make the instrument freely available to NGOs as a general contribution to organisational capacity building in these organisations.

The guide was developed by the Human Sciences Research Council after reviewing the literature on effective organisations in order to identify assessment criteria. A workshop was arranged to obtain information from NGOs operating in South Africa and their comments were used for the revision of the instrument.

The intention is to start using the guide in 1996. As it continues to be used by organisations, there will be further feedback and modification.

The assessment process

The guide provides a framework for a systematic thinking and discussion process. In order to derive maximum benefit from this process, you need to:

à Get your organisation's commitment

The extent to which an NGO will benefit from this assessment process will depend on

- the organisation's willingness to set aside enough time to work through the guide and to look critically at itself;

- the honesty with which the questions are answered;

- the depth of the discussions;

- the organisation's commitment to addressing problems and to finding solutions to each of them.

à Emphasise understanding

During the assessment process the emphasis should be on understanding your organisation. Most of the questions are formulated in such a way that you can simply answer yes or no to them. However, it is extremely important to explain clearly throughout the discussion of the questions, why you chose a particular answer.

à Appreciate different perspectives, but try to reach consensus

Different perspectives on each question should be obtained. Your evaluation group should then try to reach consensus on how the group views the situation.

à Handle group processes carefully and constructively

The assessment process should be handled in a constructive manner. The purpose of the exercise is not to accuse or blame individuals for mistakes. The focus should not be on individuals, but on the functioning of the organisation. Personal attacks should be avoided.

à Get a balanced perspective of the organisation

The process should be aimed at obtaining a balanced perspective of the organisation. Its strengths and weaknesses are equally important. The organisation should build on its strengths and endeavour to eliminate its weaknesses. The process should also be aimed at seeking solutions to problems experienced.

à Develop a holistic picture of your organisation

It should also be remembered that, although the different areas are dealt with separately in the assessment, they are closely related and influence one another.

The importance of involving all relevant persons

The instrument covers different areas in your organisation. Some of the questions can best be answered by certain members of the organisation, while others can best be answered by other members of staff. It is important to involve people who can answer specific questions in the evaluation process.

Using small groups

The instrument should be applied in small groups, which should consist of a cross-section of staff in order to obtain different perspectives on the organisation's functioning. The group processes should be controlled with regard to the following factors:

- All group members should have equal status for the purpose of evaluation, i.e. senior members of the organisation should not dominate the group. The perspectives brought to the process by each member of the group should be valued.

- It is important that the group should reach consensus on the scale score. All viewpoints should be heard and every individual should have the opportunity to explain why he/she prefers a particular evaluation.

Using an outside facilitator

It is strongly recommended that you involve a skilled external facilitator to assist with the process. Such a facilitator can enhance the objectivity and effectiveness of the process.

It remains of the utmost importance that a cross-section of your staff be involved in the assessment.

Peer evaluation

Peer evaluation is another way of evaluating organisational capacity. You could invite members of another organisation to participate in the process and share their impressions with you.

A word of caution

An organisation assessment process such as the one proposed in this guide can, in itself, have an influence on an organisation. People's awareness of problems in their organisation may motivate them to work towards the improvement of the organisation. However, it may also elicit feelings of uncertainty and despondency. Such an assessment process also creates expectations of change. It is therefore important to time such an assessment correctly, to handle the process in a constructive manner and to be committed to the implementation of improvement strategies.

How to use this guide

The guide is divided into five main sections, each dealing with an aspect of organisational functioning:
- governance and leadership
- strategic direction
- operational management
- human resources
- feedback

These sections are divided into subsections that deal with more specific areas for assessment.

In the assessment group the following steps can be followed:

1. **Read** through the main sections, their descriptions and the subsections included in each main section to obtain an **overview** of the assessment process.

2. Start with the first section (i.e. governance and leadership). Read carefully through the description. Ensure that everybody **understands** what it means.

3. Go to the first subsection (i.e. governing board). Read through the questions. Ensure that everybody understands them. Answer them one by one and **explain** your answers.

4. **Allocate a score** to the subject of the subsection. Try to reach consensus in the group regarding the score.

5. Identify the strengths and weaknesses of the subject of the subsection and explain why you chose them.

6. Identify the areas of the subsection subject that need improvement.

7. Work in a similar way through **all the subsections**.

8. Fill in the score summary on page 36 of the guide.

9. Prioritise the areas that need attention in terms of their importance for the continued survival and growth of your organisation.

10. **Develop change strategies for the three areas that you gave the highest priority.**

Please note: Some of the areas for assessment may not apply to your organisation. The aim of the guide is to **facilitate** a process aimed at the understanding of and planning for organisational development. The guide therefore provides a basic structure - it should not bind organisations to a rigid process.

If certain areas are omitted from your evaluation, please explain why (e.g. you have just gone through an affirmative action review process and therefore feel that another review of this area is irrelevant now).

INDEX

1. Governance and leadership

The first area to be assessed is the governance and leadership structures of the organisation and the way in which they function.

In this guide the term "governance" refers to the responsibilities and actions of the members of the governing body such as the board of an organisation, while "leadership" refers to the direction and guidance given by the management of the organisation, their support and ability to motivate the staff of the organisation to work towards a common purpose. The quality of governance and leadership depends to a large extent on the interaction between the governing body, the management of the organisation, the staff and the way in which decisions are taken, communicated and implemented. Therefore, governance and leadership are divided into three closely related and interlinked subareas, namely the governing board, leadership and decision making.

Governing board

Use the following questions as a guideline for the assessment of the functioning of the governing board of your organisation:

- **Do the members of the board understand their purpose and tasks with regard to the organisation? Are roles and responsibilities clearly defined (no role conflict)?**

....
....
....
....

- **Do the members of the board provide credibility to the organisation?**

....
....
....
....

- **Do they have the necessary knowledge, ability and commitment to fulfil their responsibilities?**

....
....
....
....

- **Do they understand the objectives and strategies of the organisation?**

....
....
....
....

- **Do they understand their purpose and tasks with regard to the organisation? Are their roles and responsibilities clearly defined (no role conflict)?**

  ....
  ....
  ....
  ....

- **Does your organisation have a voluntary board? If so, what incentives are there (e.g. reimbursement of travelling expenses to attend meetings) to increase participation?**

  ....
  ....
  ....
  ....

- **Do the board members have sufficient access to the information they need to carry out their duties?**

  ....
  ....
  ....
  ....

- **Are they prepared to take action to ensure that the organisation's objectives are met and that performance is satisfactory?**

  ....
  ....
  ....
  ....

- **Is there sufficient and clear communication between the board and the management and staff of the organisation?**

  ....
  ....
  ....
  ....

- **Do the members of the board support the management and staff of your organisation in the implementation of action plans?**

  ....
  ....
  ....
  ....

On the basis of these questions, rate the composition and functioning of your organisation's board according to the following scale:

ⓞ	ⓞ	ⓞ	ⓞ
Need radical improvement	**Need much improvement**	**Need some improvement**	**Need no improvement**

Motivation
Please set out the various strengths and weaknesses in the composition and functioning of your organisation's governing board and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify the areas of functioning of your organisation's board that need to be changed.

....
....
....
....
....
....
....
....
....

Leadership

The following questions will guide you through an assessment of the leadership of your organisation:

· **Do the members of management have a clear understanding of their respective roles and responsibilities and do they share a common vision of the organisation?**

....
....
....
....

· **Do the members of management function as a team?**

....
....
....
....

· **Do their behaviour reflect their vision of the organisation?**

....
....
....

- **Do the management members possess the necessary skills to fulfil their responsibilities as leaders of the organisation?**

....
....
....
....

- **Do they share critical information sufficiently and timeously with other members of the organisation?**

....
....
....
....

- **Does management's behaviour encourage participation and involvement from other members of the organisation?**

....
....
....
....

- **Is management transparent in their decision making?**

....
....
....
....

On the basis of these questions, rate the quality of the leadership of your organisation according to the following scale:

⊙ Need radical improvement	⊙ Need much improvement	⊙ Need some improvement	⊙ Need no improvement

Motivation
Please set out the various strengths and weaknesses in the leadership of your organisation and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify the areas of leadership functioning that need to be changed.

....
....
....
....
....
....

Decision making and problem solving

- **Is the authority to make decisions delegated to the lowest levels possible in the organisation?**

....
....
....
....

- **Do staff members most involved in a decision either have responsibility for making the decision on their own or do they have a major say before the decision is made? Are they held accountable for the decisions they make?**

....
....
....
....

- **Are decisions made in a timely and effective manner?**

....
....
....
....

- **Are decisions communicated to all those affected?**

....
....
....
....

- **Are decisions implemented?**

....
....
....
....

- **Are problems identified, acknowledged and dealt with timeously and effectively?**

....
....
....
....

On the basis of these questions, rate the decision making processes of your organisation according to the following scale:

⓪	⓪	⓪	⓪
Need radical im-provement	**Need much im-provement**	**Need some im-provement**	**Need no im-provement**

Motivation
Please set out the various strengths and weaknesses in the decision making processes of your organisation and explain why you chose them.

Strengths	**Weaknesses**
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify the areas of decision making that need to be changed.

....
....
....
....
....
....

2. Strategic direction

Strategic direction refers to the ability of the organisation to position itself in its environment and to change and adapt to an ever-changing environment. Strategic direction is essential for the survival and growth of any organisation.

The evaluation of this area of your organisation's functioning deals with basic questions relating to its existence. It concerns questions such as what your organisation is, why your organisation exists, where and how you see your organisation in relation to the world around it, what you want your organisation to become, where you want your organisation to be in future and whether you have a plan for getting there.

The first area to be assissed is <u>knowing the environment</u>. This area deals with your organisation's knowledge of its clients and beneficiaries, its possible funders as well as its competitors and the competing products and services available in the market.

The second area deals with your organisation's <u>mission statement</u> or the way in which it has formulated its reason for existence.

The third and fourth areas deal with the <u>strategic and action plans</u> that your organisation has in place in order to give effect to its mission.

Although it is imperative for an organisation to have a clear understanding of where it is heading, it should also be aware of the changes taking place in its environment and be flexible enough to adapt to these changes in good time. The fifth area for assessment therefore deals with the organisation's <u>flexibility</u>.

A sixth area related to the strategic direction of an organisation is its ability to be financially sustainable. <u>Financial sustainability</u> depends on an organisation's awareness of funding sources and its ability to access those sources successfully.

The last compenent of strategic direction to be assessed, is the organisation's <u>values</u>. The concept "values" refers to the set of beliefs on which an organisation bases its policies and actions. The values and beliefs that an organisation holds gives the organisation its distinct character and affects the decisions that are made concerning overall goals and strategic choices. In its decision making, an organisation is constantly faced with choices, e.g. the need to contain costs versus the need to provide excellent service or the need to exercise control over organisational activities versus the need to be people oriented. An organisation's value system will direct it to one or the other of these choices (i.e. place the emphasis on those things that are most important to the particular organisation).

Knowing the environment

- **Does your organisation know who the primary beneficiaries of its services/products are (i.e. can you list them)?**

....
....
....
....

- **Does your organisation have readily accessible information on its clients (e.g. number, type, etc.)?**

....
....
....
....

- **Is your organisation able to identify the secondary beneficiaries of its services (i.e. people who are not its clients, but who indirectly benefit from its services/products)?**

....
....
....
....

- **Does your organisation know who its main competitors/other organisations providing similar services are?**

....
....
....
....

- **How well is your organisation acquainted with possible funders, their needs and requirements?**

....
....
....
....

- **Does your organisation know how its products/services compare with similar products/services in the field?**

....
....
....
....

- **Does your organisation have a system for the regular and systematic assessment of community and client needs?**

....
....
....
....

· **Does your organisation know the main providers of the types of services that it uses?**

....
....
....
....

On the basis of these questions, rate your organisation's knowledge of the environment according to the following scale:

⓿ Need radical improvement	⓿ Need much improvement	⓿ Need some improvement	⓿ Need no improvement

Motivation
Please set out the various strengths and weaknesses in your organisation's knowledge of the environment and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify the areas of environmental knowledge that need to be changed.

....
....
....
....
....
....

Mission statement

· **Does your organisation have a clearly defined purpose, e.g. a written mission statement?**

....
....
....
....

· **To what extent are the main stakeholders of your organisation involved in the review of your purpose/mission?**

....
....
....

- **Is the purpose of the organisation/mission statement known to all staff members?**

....
....
....
....

On the basis of these questions, rate the extent to which the purpose/mission of your organisation has been clearly defined, according to the following scale:

⊙	⊙	⊙	⊙
Need radical im-provement	Need much im-provement	Need some im-provement	Need no im-provement

Motivation
Please set out the various strengths and weaknesses in the way in which the purpose/mission of your organisation is defined and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify those parts of the definition of the purpose of your organisation that need to be changed.

....
....
....
....
....
....

Strategic plan

- **Does your organisation have a strategic plan that is aligned with its purpose/mission statement?**

....
....
....
....

- **Is your organisation's strategic plan known to all employees and stake-holders?**

....

....

....

....

- **Does your organisation have clearly defined and realistic strategies to operationalise its strategic plan?**

....

....

....

....

- **Does your organisation continuously adapt its strategic plan to realign it with the changing environment?**

....

....

....

....

On the basis of these questions, rate your organisation's strategic planning on the following scale:

❶ Need radical improvement	❶ Need much improvement	❶ Need some improvement	❶ Need no improvement

Motivation
Please set out the various strengths and weaknesses in the way in which your organisation plan strategically and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify the aspects of your strategic planning that need to be changed.

....

....

....

....

....

....

Action plans

- **Does your organisation have a manageable list of specific action plans to achieve the stated strategic objectives?**

....
....
....
....

- **To what extent are staff members involved in the formulation of action plans?**

....
....
....
....

- **Is the implementation of action plans regularly monitored?**

....
....
....
....

- **Does management support staff in the implementation of the action plans?**

....
....
....
....

- **Does your organisation systematically update action plans and resolve problems impacting on the attainment of objectives?**

....
....
....
....

On the basis of these questions, rate your organisation's ability to implement its strategies through realistic action plans according to the following scale:

⓿	⓿	⓿	⓿
Need radical improvement	**Need much improvement**	**Need some improvement**	**Need no improvement**

Motivation
Please set out the various strengths and weaknesses in the way in which the strategies of your organisation are converted into action plans and explain why you chose them.

Strengths	**Weaknesses**
·································	··································
·································	·································
·································	·································
·································	·································
·································	·································
·································	·································
·································	·································
·································	·································

Areas that need improvement
Identify the aspects of action planning and implementation that need to be changed.

··
··
··
··
··
··

Flexibility

· **How proactive is your organisation in adapting to environmental changes?**
··
··
··
··

· **Are change strategies clearly communicated throughout the organisation?**
··
··
··
··

· **Are all members of the organisation convinced of the need to adapt to a changing environment?**
··
··
··
··

· **How flexible are your organisation's systems and procedures in responding to environmental changes (e.g. sociopolitical changes)?**
··
··
··
··

On the basis of these questions, rate your organisation's flexibility and abi-
lity to adapt to a changing environment according to the following scale:

⓪	⓪	⓪	⓪
Need radical im-provement	**Need much im-provement**	**Need some im-provement**	**Need no im-provement**

Motivation
Please set out the various strengths and weaknesses in your organisation's
flexibility and ability to adapt to a changing environment and explain why you
chose them.

Strengths	Weaknesses
…………………………………	…………………………………
…………………………………	…………………………………
…………………………………	…………………………………
…………………………………	…………………………………
…………………………………	…………………………………
…………………………………	…………………………………
…………………………………	…………………………………
…………………………………	…………………………………

Areas that need improvement
In what ways does your organisation need to become more flexible?
…………………………………………………………………………
…………………………………………………………………………
…………………………………………………………………………
…………………………………………………………………………
…………………………………………………………………………
…………………………………………………………………………

Financial sustainability

- **To what extent is your organisation aware of the possible pool of funders
  for the type of products/services that it provides?**
…………………………………………………………………………
…………………………………………………………………………
…………………………………………………………………………
…………………………………………………………………………

- **Does your organisation obtain its funding from a variety of sources (i.e. is
  it dependent on one source, or is it effective in securing financial and in-
  kind resources from various public and/or other agencies)?**
…………………………………………………………………………
…………………………………………………………………………
…………………………………………………………………………
…………………………………………………………………………

- **Is your organisation able to obtain sufficient funding to sustain its activities (e.g. are you able to identify tendering possibilities and compete in the tendering processes)?**

....
....
....
....

On the basis of these questions, rate your organisation's financial sustainability on the following scale:

◎ **Need radical Improvement**	**◎** **Need much improvement**	**◎** **Need some improvement**	**◎** **Need no improvement**

Motivation
Please set out the various strengths and weaknesses in your organisation's financial sustainability and explain why you chose them.

Strengths	**Weaknesses**
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
What areas of funding need improvement in order to ensure the financial sustainability of your organisation?

....
....
....
....
....
....
....
....
....
....
....
....

Values

- **What are the core values underpinning the existence and operations of your organisation?**

....
....
....
....

- **Are these core values clearly articulated, e.g. are they in a written format, are they known to and accepted by all members of staff?**

....
....
....
....

- **How do these core values influence the mission, objectives and operations of your organisation?**

....
....
....
....

- **To what extent are these values reflected in your policies, e.g. staff policies?**

....
....
....
....

- **To what extent are these values respected and adhered to?**

....
....
....
....

On the basis of these questions, rate your organisation's value system according to the following scale:

O	O	O	O
Needs radical improvement	**Needs much improvement**	**Needs some improvement**	**Needs no improvement**

Motivation
Please set out the various strengths and weaknesses in your organisation's value system and explain why you chose them.

Strengths	Weaknesses
…………………………………	……………………………………
…………………………………	……………………………………
…………………………………	……………………………………
…………………………………	……………………………………
…………………………………	……………………………………
…………………………………	……………………………………
…………………………………	……………………………………
…………………………………	……………………………………

Areas that need improvement
What areas in your organisation's value system need improvement?

………………………………………………………………………………
………………………………………………………………………………
………………………………………………………………………………
………………………………………………………………………………
………………………………………………………………………………
………………………………………………………………………………

3. Operational management

Operational management concerns the day-to-day management of the business of the organisation such as its projects, its operational units or divisions, its finances and information.

The focus of this part of the evaluation is not on the success or quality of your organisation's projects, products or services as such, but on the systems and procedures that it has in place to ensure that its day-to-day operations are well managed so that its goals can be achieved.

Project/programme/operational unit management

- **Are projects developed according to a predetermined plan (e.g. project proposal)?**

....
....
....
....

- **Does your organisation have the capacity (enough people and time) and expertise to undertake the projects that it is involved in?**

....
....
....
....

- **How skilled are your organisation's project managers in handling teams?**

....
....
....
....

- **How effectively do its teams function?**

....
....
....
....

- **Is the necessary support available for the execution of projects (e.g. administrative support, legal advice, access to information, computer systems, etc.)?**

....
....
....
....

- **Does your organisation have an effective project information system (e.g. a system that provides up-to-date information about the current status or progress of projects, their cost, etc.)?**

  ....
  ....
  ....
  ....

- **Are projects continuously reviewed to determine their progress and cost-effectiveness and are they adjusted according to these reviews?**

  ....
  ....
  ....
  ....

- **Who are involved in the design of projects, pre- and postevaluations and the adaptation of projects?**

  ....
  ....
  ....
  ....

- **What gives your organisation's projects a competitive advantage (why would funders choose to fund its projects or why would clients choose to use its services and not the services of other similar organisations)?**

  ....
  ....
  ....
  ....

On the basis of these questions, rate your organisation's project/ programme/ operational unit management according to the following scale:

O	O	O	O
Need radical im-provement	Need much im-provement	Need some im-provement	Need no im-provement

Motivation
Please set out the various strengths and weaknesses in your organisation's project/programme/operational unit management and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
What aspects of your organisation's project/programme/operational unit management need to be changed?

....
....
....
....
....
....

Financial management

- **Does your organisation have a properly functioning accounting system?**

....
....
....
....

- **Are your organisation's financial accounts audited annually?**

....
....
....
....

- **Does your organisation have a formal annual budget?**

....
....
....
....

- **Is the implementation of the budget monitored on a regular basis (e.g. by means of monthly financial reports)?**

....
....
....
....

- **Is your organisation able to control income and expenditure effectively?**

....
....
....
....

- **Does your organisation have an effective system for determining the various cost elements (i.e. measuring the costs of its operations, for instance overhead costs, time, equipment, etc.)?**

....
....
....
....

- **Does your organisation have formal policies with regard to expenditure (e.g. travel and subsistence)? Are these policies adhered to?**

....

....

....

....

On the basis of these questions, rate your organisation's financial management according to the following scale:

⓿ Need radical improvement	⓿ Need much improvement	⓿ Need some improvement	⓿ Need no improvement

Motivation
Please set out the various strengths and weaknesses in your organisation's financial management and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify the aspects of your organisation's financial management that need to be changed.

....

....

....

....

....

....

....

....

Management of information

- **Does your organisation have effective administrative systems to enable it to perform its core tasks?**

....

....

....

....

- **How easy is it for your organisation to access information about its overall financial position, projects, human resources, clients, etc.?**

....
....
....
....

- **Does your organisation evaluate the effectiveness of its information systems regularly?**

....
....
....
....

On the basis of these questions, rate your organisation's management of information according to the following scale:

⓿ Need radical improvement	⓿ Need much improvement	⓿ Need some improvement	⓿ Need no improvement

Motivation
Please set out the various strengths and weaknesses in your organisation's management of information and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify the aspects of your organisation's information management that need to be changed.

....
....
....
....
....
....

4. Human resources

It goes without saying that a well-motivated staff is essential for the effective functioning of an organisation. In this part of the organisational assessment the focus is on the extent to which policies, structures, systems and management styles of the organisation contribute towards the fair and respectful treatment and development of employees.

Staffing

- **Does your organisation review its human resources needs regularly so as to ensure that it has the right number of people with the right skills available?**

....
....
....
....

- **Is your organisation able to retain its key staff members/key skills needed?**

....
....
....
....

- **What are the main criteria used to select and appoint employees (e.g. skills, qualifications, experience, age, gender, population group)? Does the utilisation of these criteria enable your organisation to improve its performance?**

....
....
....
....

- **Does your organisation have some form of orientation or induction for new employees? How effective is this in making new employees part of the organisation?**

....
....
....
....

- **Does your organisation have policies/guidelines that cover matters such as probationary period, resignation, retirement and retrenchment? Are these policies/guidelines known and understood by all members of staff, and are they consistently applied?**

....
....
....
....

On the basis of these questions, rate your staffing practices according to the following scale:

⓪ Need radical im- provement	⓪ Need much im- provement	⓪ Need some im- provement	⓪ Need no im- provement

Motivation
Please set out the various strengths and weaknesses in your staffing practices and explain why you chose them.

Strengths	Weaknesses
………………………………	………………………………
………………………………	………………………………
………………………………	………………………………
………………………………	………………………………
………………………………	………………………………
………………………………	………………………………
………………………………	………………………………
………………………………	………………………………

Areas that need improvement
Identify the aspects of your organisation's staffing practices that need to be changed.
……………………………………………………………………………
……………………………………………………………………………
……………………………………………………………………………
……………………………………………………………………………
……………………………………………………………………………
……………………………………………………………………………

Working environment

- **Are there job descriptions for every job in the organisation which define the responsibilities and skills needed to perform the job effectively?**
……………………………………………………………………………
……………………………………………………………………………
……………………………………………………………………………
……………………………………………………………………………

- **Does your organisation provide its staff members with clear and reasonable instructions in order to minimise stress and conflict in the working environment?**
……………………………………………………………………………
……………………………………………………………………………
……………………………………………………………………………
……………………………………………………………………………

- **Is staff participation in the development of work procedures and processes encouraged?**

....
....
....
....

- **Are differences between members of staff treated as a potential source of creativity and innovation, i.e. seeking ideas and views from all members of staff and not only from managers/employees sharing the same mental framework?**

....
....
....
....

- **Are all members of staff encouraged to think critically and express their views in order to increase the quality of the organisation's output?**

....
....
....
....

- **Are staff members encouraged to take the initiative in the execution of their duties, i.e. acknowledging the fact that there can be more than one way of accomplishing a task?**

....
....
....
....

On the basis of these questions, evaluate your organisation as a working environment according to the following scale:

O	O	O	O
Needs radical improvement	**Needs much improvement**	**Needs some improvement**	**Needs no improvement**

Motivation
Please set out the various strengths and weaknesses in your organisation's working environment and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify the aspects of your organisation's working environment that need to be changed.

....
....
....
....
....
....

Development of people

· **What kind of human resources development opportunities exist in your organisation (e.g. training, mentorship, job rotation, etc.)? Are these opportunities sufficient to enhance your organisation's performance?**

....
....
....
....

· **How does your organisation determine its human resources development needs (e.g. are the needs of the organisation as well as the needs of staff taken into consideration)?**

....
....
....
....

· **Does every employee in the organisation have equal access to opportunities that will benefit his/her performance and career?**

....
....
....
....

· **What employee assistance programmes are offered (e.g. bursary schemes, housing programmes, etc.)?**

....
....
....
....

On the basis of these questions, evaluate your organisation's human resources development practices according to the following scale:

❶ Need much improvement	❶ Need radical improvement	❶ Need some improvement	❶ Need no improvement

Motivation
Please set out the various strengths and weaknesses in your organisation's people development practices and explain why you chose them.

Strengths	Weaknesses
…………………………………	…………………………………
…………………………………	…………………………………
…………………………………	…………………………………
…………………………………	…………………………………
…………………………………	…………………………………
…………………………………	…………………………………
…………………………………	…………………………………
…………………………………	…………………………………

Areas that need improvement
Identify the aspects of your organisation's development of people that need to be changed.

…………………………………………………………………………………
…………………………………………………………………………………
…………………………………………………………………………………
…………………………………………………………………………………
…………………………………………………………………………………
…………………………………………………………………………………

[1]Affirmative action and employment equity

- **To what extent does your organisation's staff composition reflect the racial and gender composition of the South African workforce? What are your organisation's objectives regarding racial and gender distribution in the organisation?**

…………………………………………………………………………………
…………………………………………………………………………………
…………………………………………………………………………………
…………………………………………………………………………………

- **Are you aware of any discriminatory practices in your organisation? If so, are any measures taken to eliminate these practices?**

…………………………………………………………………………………
…………………………………………………………………………………
…………………………………………………………………………………
…………………………………………………………………………………

---

[1] Organisations need to assess their policies and programmes on affirmative action and employment equity in view of the proposed legislation.

· **Does your organisations have an affirmative action policy according to which it appoints and develops people? Is this policy known and accepted by all members of the organisation? To what extent is the organisation committed to its affirmative action policy? Is it implemented?**

....
....
....
....

· **Does your organisation have measurable targets for the affirmative action process?**

....
....
....
....

· **Does your organisation have a specific programme for the implementation of its affirmative action policy? Is it working effectively?**

....
....
....
....

· **Does your organisation have methods to facilitate, monitor and evaluate progress towards its affirmative action goals (e.g. regular updating of affirmative action statistics, people/units responsible for affirmative action, training programmes for affirmative action)?**

....
....
....
....

· **Does your organisation have recruitment and promotion procedures based on competency and experience rather than on formal qualifications?**

....
....
....
....

On the basis of these questions, evaluate your organisation's affirmative action and employment equity practices according to the following scale:

❂	❂	❂	❂
Need radical improvement	**Need much improvement**	**Need some improvement**	**Need no improvement**

Motivation
Please set out the various strengths and weaknesses in your affirmative action and employment equity practices and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify the aspects of your organisation's affirmative action and employment equity processes that need to be changed.

....
....
....
....
....
....

Performance management

- **Does your organisation have a fair performance management system that is in line with the strategic direction of the organisation?**

....
....
....
....

- **To what extent are staff members actively involved in the management of their own performance?**

....
....
....
....

- **To what extent does your organisation's performance management system ensure continuous honest feedback between members of staff (managers as well as employees) on their performance?**

....
....
....

- **What incentives does your organisation provide to increase motivation and work performance?**

....
....
....
....

On the basis of these questions, evaluate your organisation's performance management according to the following scale:

⓿ Need radical improvement	⓿ Need much improvement	⓿ Need some improvement	⓿ Need no improvement

Motivation
Please set out the various strengths and weaknesses in your organisation's performance management and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify the aspects of your organisation's management of performance that need to be changed.

....
....
....
....
....
....
....
....
....
....
....
....
....
....

Conditions of service

- **Are your organisation's remuneration and benefit policies fair (e.g. free of discrimination)?**
....
....
....
....

- **Are your organisation's remuneration packages market related?**
....
....
....
....

- **Does your organisation have clear and workable conditions of service? Are all staff members aware of the conditions of service?**
....
....
....
....

- **Are your staff members satisfied with the application of the conditions of service?**
....
....
....
....

- **Does your organisation have clear and fair disciplinary and grievance procedures (in line with present labour legislation)? Are these procedures known to all members of staff? Are these procedures adhered to?**
....
....
....
....

On the basis of these questions, evaluate your organisation's conditions of service according to the following scale:

❶ Need radical im- provement	❶ Need much im- provement	❶ Need some im- provement	❶ Need no im- provement

Motivation
Please set out the various strengths and weaknesses in your conditions of service and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify the aspects of your organisation's conditions of service that need to be changed.

....
....
....
....
....
....
....
....
....
....
....
....

5. Feedback

Feedback refers to the way in which the organisation seeks feedback from its environment on its performance, e.g. is it doing well or not. Feedback also refers to the way in which the organisation provides information about its performance to its stakeholders.

- **Does your organisation have an effective system to continuously evaluate the value of its services to its beneficiaries?**

....
....
....
....

- **Does your organisation monitor its progress towards achieving its goals?**

....
....
....
....

- **Is the evaluation process taken seriously at all levels in the organisation?**

....
....
....
....

- **Does the evaluation process include all stakeholders both inside and out-side the organisation?**

....
....
....
....

- **Are evaluation findings fed back to staff members at all levels in the or-ganisation?**

....
....
....
....

- **Does your organisation react appropriately to the outcome of evaluations, i.e. not shy away from abandoning low performance activities and una-chievable goals?**

....
....
....
....

- **Does your organisation have mechanisms to provide ongoing feedback to its funders?**

    ....
    ....
    ....
    ....

- **Does your organisation have a system for regularly comparing its products and services with others in the field?**

    ....
    ....
    ....
    ....

- **Does your organisation have clear public reporting procedures (e.g. an annual report)?**

    ....
    ....
    ....
    ....

On the basis of these questions, rate your organisation's mechanisms to get and to give feedback according to the following scale:

⓪ Need radical im- provement	⓪ Need much im- provement	⓪ Need some im- provement	⓪ Need no im- provement

Motivation
Please set out the various strengths and weaknesses of your organisation's mechanisms to get and to give feedback and explain why you chose them.

Strengths	Weaknesses
....	....
....	....
....	....
....	....
....	....
....	....
....	....
....	....

Areas that need improvement
Identify the aspects of your organisation's feedback mechanisms that need to be changed.

....
....
....
....
....

6. ADDITIONAL COMMENTS

Any additional comments or suggestions to be followed up may be included here.

....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....

Fill in the score summary below by transferring the scores under the various subsections. This will provide you with an overview of your organisation's performance in the individual areas at a glance.

ASSESSMENT OF ORGANISATIONAL CAPACITY				
	Needs radical improvement	Needs much improvement	Needs some improvement	Needs no improvement
GOVERNANCE AND LEADERSHIP				
Governing board				
Leadership				
Decision making and problem solving				
STRATEGIC DIRECTION				
Knowing the environment				
Mission statement				
Strategic plan				
Action plans				
Flexibility				
Financial sustainability				
Values				
OPERATIONAL MANAGEMENT				
Project/programme/operational unit management				
Financial management				
Management of information				
HUMAN RESOURCES				
Staffing				
Working environment				
Development of people				
Affirmative action and employment equity				
Performance management				
Conditions of service				
FEEDBACK				

PRIORITISATION OF AREAS THAT NEED URGENT ATTENTION

Prioritise the areas that need attention in terms of their importance for the continued survival and growth of your organisation.

....
....
....
....
....
....
....
....
....
....
....
....
....
....

Develop change strategies for the three areas you gave the highest priority.

PRIORITY AREA	CHANGE STRATEGY
1.	1.
2.	2.
3.	3.

FURTHER DEVELOPMENT OF THE INSTRUMENT

In order to develop the instrument to its full capacity, it will have to undergo rigorous evaluation. This can happen through a continuous process of feedback from a wide audience after they have applied the instrument in practice.

Kindly fill in the following form and return it to the address below:

Human Resources Information and Planning
Group for Human Resources
Human Sciences Research Council
Private Bag X41
PRETORIA 0002

1. Is the section on "How to use this guide" clear? Did you find the guidelines provided adequate?

    ....
    ....
    ....
    ....
    ....
    ....
    ....
    ....

2. Do you consider the suggested "assessment process" feasible?

    ....
    ....
    ....
    ....
    ....
    ....
    ....
    ....

3. Are the explanations of the "main areas of organisational capacity" clear and adequate?

    ....
    ....
    ....
    ....
    ....
    ....
    ....

4. **Are all the "areas of organisational capacity" covered? Are there any unnecessary areas mentioned?**

....
....
....
....
....
....
....
....

5. **Are the specific questions under each area clear and unambiguous? Were you able to answer the questions?**

....
....
....
....
....
....
....
....

6. **What is your impression of the general format of the guide?**

....
....
....
....
....
....
....
....

7. **Is there anything else that you would like to bring to our attention?**

....
....
....
....
....
....
....
....

THANK YOU FOR YOUR CO-OPERATION